PRODUCTION

Truck output sets record for quarter

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF

U.S. truckmakers built 1,085,676 units in the second quarter of this year, the highest output ever for that quarter. The previous record was 1,009,342 in 1987.

The April-June truck total was slightly higher (0.54 percent) than the first quarter's 1,079,887.

Production of trucks during June totaled 375,164, 1.36 percent more than May's 370,127 and 11.38 percent more than the year-ago month's 336,818.

Car production during the second quarter was 2,032,772, up 19.55 percent over the first quarter's 1,700,404 and 5.14 percent more than the 1,933,439 built in the year-ago quarter.

June car output totaled 729,941 units, 5.39 percent more than May's 692,625 and 11.56 percent more than the year-ago month's 654,307.

Automakers scheduled 83,443 cars to be built last week, 47.72 percent below the previous week's 159,618 due to downtime for the holiday and vacations.

Last week's estimated auto production was shared as follows: General Motors, 72.56 percent; Chrysler Motors, 22.29 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.23 percent; and Volkswagen of America, 1.92 percent.

All Ford plants remain closed for vacation until July 18. They also were closed last week.

Honda Motor Manufacturing Inc., New United Motor Manufacturing Inc. and Nissan Motor Manufacturing Co. U.S.A. plants resumed output today after being idle for vacation.

As reported earlier, VW will close its Westmoreland, Pa., plant permanently Thursday due to slow sales of its Jetta, Golf and GTI models. The closing will idle 2,500 workers.

GM's Detroit-Hamtramck plant went down for model changeover last week and its Lansing, Mich., plant is scheduled to close for changeover Wednesday. Both plants are slated to be down the rest of this month.

Quarter's build rises in Canada

Second-quarter output of Canadian cars totaled 327,486 units, 13.52 percent more than the first quarter's 288,485 and 56.37 percent more than the year-ago quarter's 209,434 when several plants were closed for vacation and model changeover in May and June.

June output of 113,621 cars increased 2.68 percent over May's 110,656 and was 45.67 percent more than the year-ago month's 77,998.

Second-quarter truck production of 248,951 was 1.42 percent more than the first quarter's 245,463 and 19.12 percent more than the year-ago quarter's 208,999.

Truck output for June totaled 88,082, 9.51 percent more than May's 80,432 and 21.22 percent more than the year-ago month's 72,662.

All Ford plants remain idle for vacation until July 18.

U.S. CAR	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended June 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,500	0	1,972	10,116	52,366	32,997
Sundance	2,600	1,589	2,617	9,485	57,246	56,505
Reliant	1,700	459	2,163	12,163	46,964	62,399
Caravelle	0	823	0	507	9,067	30,196
Gran Fury	300	147	304	1,822	14,746	2,418
Total Plymouth	6,100	3,018	7,056	34,093	183,411	184,515
LeBaron K	0	0	0	2	7,912	42,910
LeBaron J	1,600	4,012	2,023	9,929	42,490	67,040
LeBaron GTS	200	789	322	1,033	5,116	23,820
N. Yorker E-Class	0	1,515	0	0	0	47,078
N. Yorker C-Class	2,000	0	2,835	12,577	63,196	0
Fifth Avenue	200	1,714	320	1,410	15,494	24,427
Total Chrysler	4,000	8,030	5,500	24,951	134,208	205,275
Omni	1,400	0	1,908	9,770	51,312	28,363
Daytona	1,600	1,373	2,056	9,967	41,772	32,607
Shadow	2,200	1,628	2,245	8,216	57,055	57,901
Aries	1,400	386	1,885	10,730	48,971	59,381
Dodge 600	0	809	0	499	8,549	27,013
Dynasty	1,600	0	2,432	10,197	59,222	0
Lancer	100	498	171	806	5,233	15,010
Diplomat	200	573	485	1,892	11,930	4,893
Total Dodge	8,500	5,267	11,182	51,879	284,044	225,368
CHRYSLER MOTORS	18,600	16,315	23,738	110,923	601,663	631,152
Escort	0	0	9,413	43,174	201,238	196,156
Mustang	0	0	4,421	19,002	109,640	113,748
Tempo	0	0	3,881	17,214	102,764	99,830
Taurus	0	0	9,801	41,012	213,056	224,336
Thunderbird	0	0	3,267	15,587	84,245	87,366
Total Ford Div.	0	0	30,783	135,989	710,943	721,458
Lynx	0	0	0	0	0	20,654
Topaz	0	0	1,517	6,591	38,291	32,858
Cougar	0	0	3,243	12,151	63,775	80,478
Sable	0	0	3,050	13,070	73,626	71,567
Total Mercury	0	0	7,810	31,812	175,692	205,557
Continental	0	0	749	4,148	23,716	9,610
Mark VII	0	0	366	2,130	12,997	14,299
Lincoln	0	0	2,209	12,692	75,589	72,088
Total Lincoln	0	0	3,324	18,970	112,302	95,997
Total L-M Division	0	0	11,134	50,782	287,994	301,554
FORD MOTOR CO.	0	0	41,917	186,771	998,937	1,023,012
Skyhawk	76	186	16	24	9,779	16,451
Skylark/Somerset	1,338	0	1,640	6,956	27,487	37,072
Century	2,680	3,473	3,414	15,776	62,765	99,940
Regal (rwd)	0	1,161	0	0	0	25,522
Riviera	50	0	129	627	3,644	8,501
Electra	1,518	0	2,009	10,095	47,805	53,545
LeSabre (fwd)	2,040	4,565	2,500	10,639	67,370	77,888
LeSabre (rwd)	148	97	173	1,251	5,623	5,432
Reatta	176	0	158	805	4,927	0
Total Buick	5,026	9,482	10,039	46,173	229,400	324,351
Cimmaron	0	0	0	0	3,693	7,489
Eldorado	394	0	1,047	4,909	23,471	12,720
Seville	235	0	596	2,911	14,487	10,534
Brougham (rwd)	328	0	82	2,364	17,381	38,116
Deville (fwd)	2,832	1,886	3,607	14,869	96,141	90,643
Allante	0	142	0	95	1,135	2,343
Total Cadillac	3,789	2,028	5,332	25,168	156,306	161,845
Cavalier	6,203	4,577	7,495	37,915	193,539	200,383
Camaro	2,200	1,745	2,501	10,894	49,092	61,375
Celebrity	4,000	4,948	5,380	23,121	103,377	186,088
Corsica/Beretta	7,156	7,586	9,299	41,347	222,262	156,445
Monte Carlo	0	955	0	0	0	39,203
Caprice	3,864	1,787	4,866	22,861	109,464	108,446
Corvette	356	648	442	1,958	11,432	16,451
Total Chevrolet	23,779	22,246	29,783	137,896	689,166	770,391
Calais	2,502	0	2,910	12,585	63,914	69,547
Firenza	0	177	0	0	5,220	1,842
Cutlass Ciera	1,828	0	1,913	7,564	11,341	99,988
Cutlass Supreme	3,546	1,385	3,764	17,310	86,644	41,609
Toronado	159	0	415	1,979	10,241	10,127
88 (fwd)	2,668	1,913	3,359	15,201	88,767	104,104
88 (rwd)	96	0	141	1,084	6,793	10,656
Olds 98	1,264	293	1,629	6,991	44,179	37,893
Total Oldsmobile	11,865	3,768	14,131	62,714	316,109	384,340
Sunbird	1,537	0	1,963	10,210	57,627	60,295
Grand Am	3,840	6,561	5,359	24,497	133,370	145,189
Firebird	1,090	1,116	1,580	7,025	35,243	44,365
Grand Prix	3,108	0	3,073	16,023	69,358	0
Pontiac 6000	1,248	2,061	1,808	6,895	42,071	46,674
Bonneville	2,190	2,535	2,766	12,274	61,690	75,623
Safari/Parisienne	88	220	106	756	4,646	5,494
Fiero	0	0	477	1,986	10,614	20,689
Total Pontiac	13,091	12,513	16,932	79,638	414,619	397,784
GENERAL MOTORS	80,550	50,037	76,217	361,589	1,804,802	2,036,711
HONDA	0	6,497	7,480	33,525	169,389	171,021
Civic	0	2,266	2,380	10,639	51,766	57,329
Accord	0	4,231	5,100	22,836	137,623	113,692
MAZDA†	2,693	0	3,002	12,836	50,582	0
NISSAN	0	0	2,684	12,076	53,571	69,582
NUMMI	0	3,953	2,600	13,621	81,926	104,042
Corolla	0	859	960	4,990	30,078	21,571
Nova	0	3,094	1,640	8,631	51,848	82,471
VOLKSWAGEN	1,600	1,967	2,000	8,600	34,085	43,162
Golf/GTI	1,600	1,717	2,000	8,600	28,532	34,808
Jetta	0	250	0	0	5,553	8,354
Total Cars, U.S.	83,443	78,709	159,618	729,941	3,814,735	4,080,882
Total Cars, Canada	12,095	8,151	21,734	113,621	628,997	449,434
U.S., Canada Cars	95,538	86,920	181,352	843,562	4,443,732	4,530,116
U.S., Canada Cars and Trucks	152,877	136,217	274,138	1,306,808	7,182,080	7,011,923

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended July 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,605	4,078	37,498	—
CHRYSLER MOTORS	1,650	110	1,605	4,078	37,498	3,085
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	0	—	2,841	14,472	102,017	—
Topaz	0	—	1,308	7,080	36,450	—
Crown Victoria	0	—	2,284	12,331	71,940	—
Grand Marquis	0	—	2,325	12,677	71,864	—
FORD MOTOR CO.	0	0	8,558	46,560	282,271	278,741
Celebrity	627	—	548	2,779	12,364	—
Cutlass Ciera	5,068	—	5,783	31,274	152,771	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	770	—	1,105	6,504	29,738	—
Regal	3,800	—	3,132	16,950	91,290	—
GENERAL MOTORS	10,265	7,566	10,568	57,507	286,163	155,526
Civic	0	—	840	4,689	17,389	—
Accord	0	—	0	0	1,828	—
HONDA	0	250	840	4,689	19,217	6,340
VOLVO	180	225	163	787	3,848	5,742
Total Cars, Canada	12,095	8,151	21,734	113,621	628,997	449,434

U.S. TRUCK☆	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended July 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Caravan	1,200	—	1,569	8,761	52,548	—
Dakota	1,600	—	2,507	9,237	61,710	—
Mini-Ram Van	200	—	290	1,471	8,513	—
Pickups	1,600	—	2,424	9,067	40,202	—
Total Dodge	4,600	3,334	6,790	28,536	162,973	138,995
Cherokee	3,900	—	3,739	18,512	99,002	—
Commanche	800	—	879	4,105	25,216	—
Grand Wagoneer	0	—	351	1,540	7,931	—
Pickups	0	—	0	0	190	—
Wagoneer	0	—	0	776	6,190	—
Total Jeep	4,700	0	4,969	24,933	138,339	115,066
Voyager	1,300	—	1,661	7,828	48,550	—
Total Plymouth	1,300	—	1,661	7,828	49,303	—
CHRYSLER MOTORS	10,600	3,334	13,420	61,297	357,879	254,061
Aerostar	0	—	0	14,472	109,133	—
Bronco	0	—	1,227	5,889	32,390	—
Bronco II	0	—	2,556	10,474	69,881	—
Econoline	0	—	4,680	22,580	130,025	—
Heavy trucks	0	—	0	5,715	35,060	—
Light trucks	0	—	10,378	45,136	286,763	—
Ranger	0	—	7,853	33,295	191,433	—
Total Ford Div.	0	0	26,694	137,561	834,705	780,517
FORD MOTOR CO.	0	0	26,694	137,561	834,705	780,517
Astro	3,206	—	3,213	15,803	92,506	—
Blazer	431	—	561	2,671	15,019	—
Mediums/Heavies	275	—	376	1,621	9,652	—
P-Model	702	—	804	3,761	21,310	—
Pickups	5,458	—	6,581	31,728	180,640	—
S-10	5,414	—	6,127	27,847	157,464	—
S-10 Blazer	2,991	—	3,511	16,845	90,217	—
Sportsvan/Van	1,951	—	1,990	9,753	47,868	—
Suburban	1,237	—	1,650	7,109	40,057	—
Total Chevrolet	21,665	21,548	24,813	116,798	654,733	632,543
Jimmy	116	—	142	590	4,362	—
Mediums/Heavies	825	—	700	3,069	21,435	—
P-Model	102	—	194	733	3,197	—
Pickups	1,638	—	2,190	9,229	55,845	—
S-15	1,052	—	1,309	5,879	36,029	—
S-15 Jimmy	829	—	923	4,119	23,793	—
Safari	803	—	802	3,819	23,591	—
Suburban	403	—	481	2,630	18,120	—
Vandura/Rally Vans	549	—	480	2,861	19,241	—
Total GMC	6,317	7,343	7,201	32,729	205,213	207,227
GENERAL MOTORS	27,982	28,891	32,014	149,527	859,946	839,770
NAVISTAR	1,196	0	1,495	7,680	46,845	40,0[illegible]
NISSAN	0	0	1,284	6,999	55,959	41,0[illegible]
AM GENERAL*	450	450	450	1,960	12,060	6,66[illegible]
MISCELLANEOUS*	2,300	4,300	2,300	10,120	61,640	50,800
Total Trucks, U.S.	42,528	36,975	77,637	375,164	2,229,034	2,022,511

CANADIAN TRUCK	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended July 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Caravan	2,343	—	2,196	13,045	78,894	—
Mini-Ram Van	259	—	231	1,418	7,856	—
Ram Wagon	509	—	450	2,462	13,556	—
Ram Van	1,425	—	1,203	6,499	35,024	—
Total Dodge	4,536	5,839	4,080	23,424	135,332	234,333
Voyager	2,366	—	1,669	11,262	71,990	—
Total Plymouth	2,366	—	1,669	11,262	71,990	—
Wrangler	886	—	793	4,365	26,946	—
Total Jeep	886	[illegible]	793	4,365	26,946	18,671
CHRYSLER MOTORS	7,788	[illegible]	6,542	39,091	234,268	252,374
FORD MTR (lt. trks.)	0		3,046	15,730	91,509	83,578
Light trucks	3,330	—	2,833	15,920	82,593	—
Vans	1,440	—	1,024	6,605	34,144	—
Total Chevrolet	4,770	—	3,857	22,525	116,737	—
Light trucks	1,470	—	917	6,716	42,917	—
Vans	518	—	581	2,883	17,782	—
Total GMC	1,988	—	1,498	9,599	60,699	—
GENERAL MOTORS	6,758	5,898	5,355	32,124	177,436	113,245
NAVISTAR	265	0	206	1,137	6,101	5,086
Total Trks., Canada	14,811	12,322	15,149	88,062	509,314	469,296
U.S., Canada Trks.	57,339	49,297	92,786	463,246	2,739,348	2,491,807

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Pontiac may get Brazil van

Opel Kadett base for global vehicle

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — General Motors do Brasil may produce an Opel Kadett-derived minivan for sale by Pontiac in the United States, Adam Opel and Vauxhall in Europe, and its operations in Brazil.

Sources said Robert Stone, managing director, General Motors of Brasil, is currently in Detroit discussing the project.

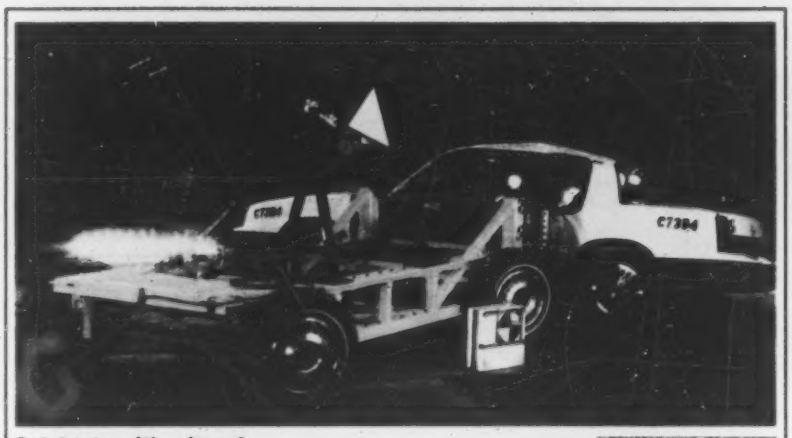
The global minivan being engineered by Opel, GM's affiliate in Russelsheim, West Germany, is pegged for introduction in 1991 or 1992 if final approval is granted.

Brazilian trade sources said production volume is predicted at 200,000 annually, with the bulk earmarked for the United States. A small number would be sold in Brazil and 15,000-20,000 annually in Europe.

Sources in Brazil said the vehicle may be produced at a new plant, which might be built in Sao Jose dos Campos, a town in the state of Sao Paulo.

The Brazilian minivan would include a four-wheel-drive version, probably using a sophisticated new 4wd system co-developed with Austrian all-wheel-drive specialist Steyr-Daimler-Puch. The technology will debut next year on Opel's

see VAN, page 55



AUTOMOTIVE NEWS/JOE WILSBERG

Celebrate with a bang!
While crashing a car seems an odd way to celebrate, it was appropriate to mark the 20th anniversary of the General Motors Safety Research and Development Laboratory at GM's Milford, Mich., proving ground. The side-impact test on this 1988 Oldsmobile Cutlass Calais is just one of 400 annual crashes that help GM develop safety devices. The driver-side anthropomorphic dummy, dubbed Hybrid III and developed by GM, "survived."

Rover deal tough but done

British Aerospace balks, finally OKs compromise

By Richard Johnson and Jake Lucas
AUTOMOTIVE NEWS STAFF

British Aerospace's acquisition of Rover Group took a series of abrupt turns, with the aircraft maker agreeing to proceed with the takeover after initially balking at conditions imposed by the European Economic Commission.

In agreeing to the compromise package worked out between the British government and the European Commission, British Aerospace settled for a smaller cash injection and fewer tax breaks. The purchase price remains £150 million ($255 million). The company had hoped to acquire a debt-free Rover Group, which includes Austin Rover Cars and Land Rover, maker of off-road vehicles.

The unexpected snag, which emerged just as an agreement was to be announced after three months of negotiations, resulted from the EC's insistence that British Aerospace strictly adhere to a five-year corporate plan outlined for the carmaker by Rover Chairman Graham Day.

The five-year program required £1.5 billion ($2.55 billion) in spending for new models, plant and equipment and twice-annual reports, a provision that struck British Aerospace executives as excessive interference. Failure to meet the five-year plan would result in a £250 million ($425 million) fine to the EC.

While agreeing to the semi-annual reports, company officials last Thursday won assurances that it would be allowed to

see ROVER, page 60

World Congress: Huge challenge faces industry

DETROIT — Competition, new technology and relentless demands for quality will make business more challenging for the auto industry but will make life easier for the people who buy automobiles.

That message emerged as a common theme in the keynote addresses — one from the manufacturing side, one from the supplier side — delivered at the Automotive News World Congress Sunday night.

The congress will conclude Wednesday with the first U.S. address by Boris Hubaev, a leader in the Soviet Union's auto industry. He will provide an update on the Soviet auto industry, while spelling out its plans for exporting cars to the rest of the world.

In texts prepared for the opening night speeches, General Motors President Robert Stempel and Thyssen AG Executive Board Chairman Dieter Spethmann said their companies are prepared to deal with the demands of an increasingly global auto industry.

But both foresee strong challenges. Stempel cited his worries about new government regulations that could remove the market's hand in determining the industry's winners and losers.

Spethmann noted the task of meeting the demands of a single, global automotive market. Suppliers and automakers will have to deal with each other more efficiently if they are to jointly reach that goal, he said. He proposed the idea of a manufacturer-supplier "bill of rights" that would serve as a guide as they work more closely together in coming years.

He said that suppliers and manufacturers need to "deal with each other with integrity," as their ties become closer in years to come. His company, Thyssen AG, is the West German parent of The Budd Co., which does nearly $2 billion in North American sales annually, mostly in the auto industry.

The company is made up of more than 180 companies worldwide and offers steel, plastics and other products for automotive uses. Thyssen also has developed a mag-

see CONGRESS, page 58

THE BEST OF 1988: *Petersen, Stempel lead reader balloting*

It's 1988 Automotive News All-Star time.

This year — for the first time — the team was chosen by votes of Automotive News readers and staff.

Ford Motor Co. landed 11 of the 30 All-Star positions. General Motors captured nine spots, Chrysler Corp. four, and Honda Motor Co. Ltd. two.

Here's the team:

Chief Executive Officer Worldwide: Donald E. Petersen, Ford.
Chief Operating Officer Worldwide: Robert C. Stempel, GM.
Chief Executive Officer U.S.: Donald E. Petersen, Ford.
Chief Executive Officer Europe: John F. Smith Jr., GM Europe.
Chief Executive Officer Asia: Tadashi Kume, Honda Motor Co.
Chief Operating Officer U.S.: Robert C. Stempel, GM.
Chief Operating Officer Europe: Louis E. Lataif, Ford of Europe.
Chief Operating Officer Asia: Tadashi Kume, Honda Motor Co.
Domestic Division Manager: J. Michael Losh, Pontiac.
European Import Division Manager: Graham W. Whitehead, Jaguar Cars.
Asian Import Division Manager: Robert B. McCurry, Toyota Motor Sales U.S.A.
Design: Jack J. Telnack, Ford.
Engineering: Robert J. Eaton, GM.
Product Planning: Max L. Jurosek, Ford.
Manufacturing: Richard E. Dauch, Chrysler.
Purchasing: Clinton D. Lauer, Ford.
Finance: Robert S. Miller Jr., Chrysler.
Marketing/Sales: Robert L. Rewey, Ford.
Service/Parts: Joseph A. Kordick, Ford.
Truck Operations: Edward E. Hagenlocker, Ford.
Dealer Relations: C.N. "Bud" Moore, GM.
Government Relations: James D. Johnston, GM.
Labor/Industrial Relations: Peter J. Pestillo, Ford.
Advertising: J.W. "Jay" Qualman, Buick.
Public Relations: Bernard F. "Moon" Mullins, Chrysler.
International Affairs: Michael N. Hammes, Chrysler.
Rookie of the Year: Robert C. Stempel, GM.
Dealer of the Year: Roger S. Penske, Penske Corp.
Supplier Executive of the Year: Ralph E. Reins, ITT.
Industry Leader of the Year: Donald E. Petersen, Ford.

Complete details on Pages 56 and 57.

Fiat's Vittorio Ghidella: a purebread engineer

Ghidella, Fiat on top

He'll tell his story in Detroit

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

TURIN, Italy — Standing before an easel last January, Fiat Auto Managing Director Vittorio Ghidella filled page after page with sketches showing the evolution of the company's new Tipo subcompact to reporters linked by satellite in five European capitals.

A purebred engineer, Ghidella seems more at home with product than with the trappings that usually sur-

see GHIDELLA, page 59

Rejected dealer: Hyundai was anti-Semitic — Page 2
Car haulers vote; last time, they walked — Page 3
Parts are the same; prices aren't — Page 6

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Sales boom forecast for Midwest

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

There is still pent-up demand for 2 million to 3 million cars and trucks in the United States — most of it in the Midwest.

A recent study of regional trends by Kidder, Peabody & Co. reports that as much as half of the nation's untapped demand will come from the Midwest, which makes up about a fourth of the motor vehicle marketplace.

The anticipated growth in the Midwest market is expected to benefit traditional domestic automakers that have a large share of the market.

"Most observers looking at traditional patterns say pent-up demand has been absorbed in the Mid-Atlantic and New England areas. We feel that whatever shortfalls there are, will be more than offset by strong sales in the Midwest, South Atlantic and Pacific/Mountain regions which account for up to 70 percent of the market," said Jack V. Kirnan, automotive analyst for Kidder, Peabody.

Short of major economic shock to the system, vehicle sales in the future will be less cyclical Kirnan said.

"The use of incentives, which effectively cut vehicle price, and the impact of excess capacity, which also constrains pricing, mean that more marginal buyers will come into the marketplace," he said.

These factors, in conjunction with the regional shifts, mean a period where sales will be surprisingly stable, Kirnan said.

"*The Rebirth of Industrial America*," from Kidder, Peabody, the investment banking arm of GE Financial Services, New York, outlines U.S. regional economic shifts that indicate a much stronger outlook for U.S. vehicle sales.

Based on new regional research, the group has upgraded its 1988 total vehicle sales forecast to 15.3 million units. The 1989 and 1990 estimates also have been revised to 15.2 million and 15.5 million, respectively.

The report predicts total U.S.

see DEMAND, page 55

AUTOMOTIVE NEWS/JOE WILKENS

Classic car show — the eyes have it

"Eyes on the Classics, Automotive Design — Past, Present and Future" was the theme of a car show held in Grosse Pointe, Mich., earlier this month. Admiring this 1938 Cord is its designer, left, Gordon Buehrig; Jack Telnack, vice president of design, Ford Motor Co.; and Charles Jordan, vice president of design, General Motors. The show benefited the Detroit Institute of Ophthalmology. Buehrig received a Stueben crystal lifetime achievement award.

A reprise of 1985?

Car haulers vote; last time, they walked

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The nation's 22,000 car haulers will begin voting on their new agreement Friday, and the auto industry is recalling 1985.

In July 1985, a 21-day strike by the haulers drained dealer inventories and slowed showroom traffic, causing a 10 percent drop in early August sales and a fear that a glut of older models would be on hand at new-model introduction.

That problem was resolved when a wave of factory finance programs led to record late-August sales.

Most new cars are transported to showrooms by trucks driven by Teamsters Union members, whose contract expired in May.

Bargainers from the Teamsters and the National Automobile Transporters Labor Division, which represents car-hauling companies, have reached a tentative agreement.

Teamster Vice President Walter Shea said the pact "made significant gains in wages, benefits (and) working conditions." But Ken Paff, director of the dissident Teamsters for a Democratic Union, called the agreement concessionary and said, "I think it will be voted down like the last one was."

At the beginning of this month, the import-car supply was 58 days, almost double the figure before the 1985 strike. But Honda, with a 16-day stock, would be pinched.

The import-truck supply was 81 days on July 1 this year.

Big 3 car supplies on July 1 were: Ford, 58 days; General Motors, 63 days; and Chrysler Motors, 67 days.

The July 1 inventory numbers show below-average stocks of some models. At Ford, those models include Ford Probe, 32 days' supply; Mercury Grand Marquis, 41; Ford Taurus and Crown Victoria, 46; and Ford Mustang, 48.

GM models with low inventories: Pontiac Grand Am, 35 days; Pontiac Bonneville, 36; Pontiac Sunbird, 40; Chevrolet Corsica/Beretta, 41; and Pontiac 6000, 42.

Chrysler Motors' cars in tight supply include the Dodge Dynasty, 42 days; Plymouth Sundance, 47; and Dodge Shadow, 48.

After the haulers returned to work in 1985 and began moving the cars that were stockpiled at assembly plants and railheads, GM cleared its backlog of 1985 models with a 7.7 percent financing deal — then the lowest ever for GMAC.

The other domestics also jumped on the cut-rate-financing bandwagon and sales took off.

Incentives geared to calmer cleanup

By Laura Clark
and Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTERS

Car buyers looking for the "fire sales" that characterized domestic makers' cleanup sales campaigns for the last three model years may be disappointed this time around.

Ford Motor Co. and Chrysler Motors have announced new wide-ranging incentive programs that actually reduce rebates on many vehicles. Small sweeteners were added to a few slow-selling models.

Chrysler, the only domestic maker offering cut-rate loans this cleanup season, also reduced the complexity of its multi-tiered annual-percentage-rate program.

By contrast, last year each of the Big 3 offered low-interest-rate loans and rebates and advertised those year-end sales bonanzas heavily.

GM's 1987 final cleanup campaign offered interest rates as low as 1.9 percent and cash rebates up to $2,000. So far, GM is offering no low-interest loans but is giving up to $1,000 directly to consumers on selected cars and trucks. It could still launch heavy cleanup incentives, however.

Ford's 1987 cleanup program, which followed GM's program, consisted of loans as low as 1.9 percent and rebates up to $700. Ford's cleanup campaign this year, which runs from July 13 to Oct. 5, skips cut-rate loans but does offer rebates up to $1,000.

Chrysler also offered loans as low as 1.9 percent and rebates up to $750 at the end of the 1987 model year. The 1988 Chrysler program, which began July 13 and runs indefinitely, calls for loans as low as 6.8 percent and rebates up to $1,000.

"What we're seeing are better managed incentive programs," said Thomas F. O'Grady, president of Integrated Automotive Resources, Wayne, Pa.

"The auto companies have learned from one another how much these incentives cost. They have also learned to sell fewer vehicles and to make money on them," said O'Grady, who added that inventories for domestic vehicles were down 20 to 25 percent on June 30 compared with a year ago.

Dealer incentive programs by the domestic makers also are slim. However, Cadillac is offering up to $2,000 per car for Eldorado, Seville and Brougham sales during June and July if dealers meet sales objectives.

Nissan, meanwhile, revamped its consumer rebate program on selected cars and trucks, while Mitsubishi began offering dealer incentives and a special lease on Precis.

Suzuki is paying dealers a $2,000 rebate on sales of its Samurai sport-utility vehicles, and there is a unique feature: a $600 advance before the sale. Samurai sales plunged 70 percent in June after Consumers Union labeled the vehicle unsafe.

The following programs have been announced:

CADILLAC: Cadillac is giving dealer rebates up to $2,000 per car if dealers meet individual sales objectives for 1987 and 1988 Eldorado, Seville and Brougham models. The program began June 1 and ends July 31.

Dealers receive $1,000 per car if they meet 25 percent or more of their sales objective for any of the three models and $2,000 per car at 70 percent. The rebates are not retroactive to the first sale.

CHRYSLER: The "America's Winners Clearance" incentive program covers selected 1987 and 1988 vehicles. The program began July 13 and has no expiration date. No dealer financial participation is required.

Chrysler reduced incentives on Plymouth Reliant and Dodge Aries from $400 to $300; Jeep Comanche two-wheel-drive short-bed pickup truck from $500 to $300; Dodge Daytona (base model) from $500 to $400; Eagle Premier LX and ES from $750 to $600; standard Dodge Ram pickup from $1,000 to $750; Daytona Pacifica from $1,500 to $1,000; and Chrysler Conquest from $1,500 to $1,000.

Chrysler increased incentives on Dodge Dakota pickups (excluding S model) from $500 to $750 and on Chrysler LeBaron GTS and Dodge Lancer from $750 to $1,000.

The following vehicle rebates remained the same in the new program: Plymouth Sundance, Dodge Shadow, Plymouth and Dodge Colt, $500 each; 1988 Eagle Medallion, $1,000; Cherokee two-door, $500; and Jeep Comanche 2wd long bed and 4wd models, $750.

Chrysler added the following rebates: Plymouth Horizon/Dodge Omni, $300; Plymouth Caravelle, $500; Chrysler LeBaron sedan, $500; 1989 Eagle Medallion, $500; and Dakota S, $300.

Buyers may also choose low-interest-rate loans between 6.8 percent for 48 months and 9.8 percent for 60 months as an alternative to the rebate for all incentivized vehicles except Omni/Horizon. Omni/Horizon buyers can receive the $300 in addition to a 10.8 percent loan financed for 61 to 72 months.

FORD: The new incentive program runs July 13 to Oct. 5. No dealer financial participation is required.

Ford reduced customer rebates on Ford Taurus and Mercury Sable from $600 to $500; Ford Mustangs equipped with 2.3-liter engines from $750 to $500; and Ford Tempo and Mercury Topaz models from $500 to $400. It previously offered $500 only on the two-door and all-wheel-drive versions of Tempo/Topaz.

Rebates on Ford EXP increased from $500 to $600. All Mustang buyers in California and Hawaii will receive a $500 rebate in the new program; the previous regional program offered a $500 rebate only on those equipped with 5-liter engines.

Ford added Aerostar rebates of $600 for July 8-31 only.

Rebates remained the same on Ranger S, $300; Festiva LX and Festiva L Plus, $300; 1988 Escort, $300; 1988½ Escort, $500; 1987 Lynx, $500; Thunderbird (excluding Turbo Coupe) and Cougar (excluding XR-7), $600; Thunderbird Turbo Coupe and Cougar XR-7, $1,000; Tracer, $650; Ranger (except S model), $750; Bronco II 4wd, $750; Bronco II 2wd and F-series conventional pickup trucks equipped with manual transmission, $500.

MITSUBISHI: The new dealer incentive program covers 1988 Mirage, Cordia, Starion, Sigma, wagons, vans, Montero and trucks.

Dealers receive $250 for each unit between 10 and 20 sold during July; $350 for the 21st through 40th; $500 for the 41st through

see INCENTIVES, page 60

GE taps American Express for vehicle-lease program

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

GE Capital and American Express will offer an auto lease program to American Express' two million small-business customers that promises savings of up to 20 percent on monthly retail lease payments.

Thai Lee, marketing manager — American Express Travel Related Services, said the company has a joint program with GE Capital to lease a broad range of domestic and import vehicles to American Express Corporate Card members.

"GE has several leasing companies, expertise in leasing and a dealer network," said Lee. She declined to speculate on the number of vehicles the company expects to lease, except to say it will be in the "multi-thousands."

Lee said GE will purchase cars from dealers and has negotiated prices with different auto manufacturers.

GE officials declined to comment.

American Express brings a market base and solicitation to the joint program and GE agreed to supply the vehicles, Lee said.

An advertising campaign launched in May described the program to card members.

Members call a telemarketing center in Barrington, Ill. — home to GE's leasing and auction operations — where they are provided with quotations based on dealership prices or the "factory-order option." GE declined to elaborate.

"All of the vehicles are delivered to members through the GE dealer network," said Lee. Billing is done through American Express cards and the leases are through GE Capital.

GE Capital has several leasing companies, including GE Capital Fleet Service, GE Capital Auto Financial Services and GECAL. The company says it has more than 400,000 cars on lease.

INDEX

Around the world	34-36
Auction dates	43
Classifieds	44-54
Coming events	31
Dealing with dealers	28
Engineering	14
Inventories	24
Legal briefs	32
Marketing and media	54
News briefs	8
Opinion	10
Personnel	30-31
Production	61
Sales, car	60
Sales, import car	38
Truck industry	12

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College aid now available to laid-off auto workers

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Beginning with the 1988 school year, many laid-off auto workers and their families will be eligible for the first time for federal financial aid to attend college.

Meanwhile, a college in Missouri has made 100 scholarships available for the children of laid-off auto workers. The program begins this fall.

New eligibility requirements for federal financial aid — effective July 1 — no longer consider a laid-off worker's income for the previous year nor the value of the family home.

"That made our people essentially ineligible before," said Phil Mastin, manager of government relations at the GM-UAW Human Resource Center in Auburn Hills, Mich.

Laid-off workers, their spouses and children who apply for student aid must now report expected income for the coming year.

About 60,000 workers are laid off at General Motors alone. Plant closings accounting for about 40,000 of that total.

The new eligibility requirements apply to laid-off workers in all industries.

Workers enrolled at an accredited college are eligible for up to $2,100 a year in Pell grants, national direct student loans, college work-study grants and supplemental educational opportunity grants.

The Pell program alone is funded at more than $3 billion annually, Mastin said.

David Lah, a U.S. Department of Labor analyst, said some applicants will still be ineligible, based on expected family income.

"People seeking federal student aid should work with their college financial aid officer," who will help determine eligibility, he said.

Meanwhile, children of laid-off UAW workers are eligible for a new scholarship program established by Tarkio College in northwest Missouri.

The school has allocated $1.28 million from its general scholarship fund for the program, which will provide 100 annual scholarships of $3,200 each, guaranteed renewable for four years.

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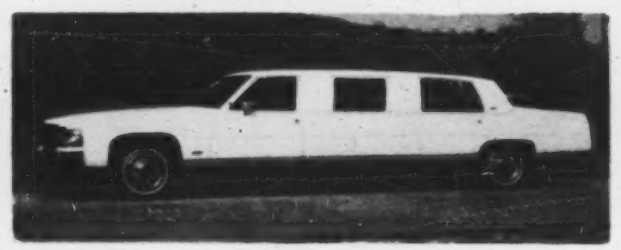

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DOMESTIC DAYS' SUPPLIES

	July 1, 1988	June 1, 1988	July 1, 1987
Alliance	73	54	151
Eagle	—	—	95
Premier	107	111	—
Total Eagle	105	99	140
Horizon	107	102	35
Sundance	47	57	49
Turismo	—	—	161
Reliant	59	41	55
Caravelle	79	68	75
Gran Fury	29	41	49
Total Plymouth	64	59	57
Laser	—	—	60
LeBaron K	100	96	77
LeBaron J	56	54	132
LeBaron GTS	114	121	144
Fifth Avenue	86	73	132
New Yorker C	73	84	—
New Yorker E	255	22	100
Total Chrysler	72	72	112
Omni	106	109	35
Shadow	48	50	47
Charger	—	—	134
Daytona	52	49	96
Aries	58	44	55
Lancer	148	152	160
Diplomat	61	53	51
Dynasty	42	45	—
Dodge 600	81	69	94
Total Dodge	61	57	68
CHRYSLER MTRS.	67	63	78
Escort	62	66	71
Mustang	48	40	41
Tempo	62	65	74
Taurus	46	39	73
Thunderbird	103	63	82
Probe	32	30	—
Crown Victoria	46	49	41
Total Ford Div.	57	54	66
Lynx/Tracer	110	108	76
Topaz	80	68	94
Sable	50	50	112
Cougar	82	73	81
Grand Marquis	41	44	49
Total Mercury	63	63	79
Continental	18	18	80
Lincoln	64	67	43
Mark VII	75	73	45
Total Lincoln	55	57	46
Total L-M Division	61	61	70
FORD MOTOR CO.	58	58	66
Skyhawk	92	85	112
Somerset/Skylark	64	61	116
Century	77	63	121
Regal	92	81	75
LeSabre	50	48	96
Reatta	98	94	—
Electra	83	88	122
Riviera	58	60	76
Total Buick	74	68	107
Cimarron	128	105	120
Allante	104	124	136
Seville	109	88	74
DeVille	110	61	113
Brougham	122	98	106
Eldorado	141	98	86
Total Cadillac	117	75	106
Chevette	310	247	64
Nova	95	82	41
Cavalier	51	52	105
Camaro	68	63	61
Celebrity	68	59	63
Corsica/Beretta	41	47	57
Monte Carlo	74	85	119
Caprice	58	52	91
Corvette	54	57	94
Total Chevrolet	56	56	71
Firenza	142	71	139
Calais	60	74	86
Cutlass Ciera	76	66	101
Cutlass Supreme	118	111	75
Olds 88	44	51	83
Olds 98	87	81	95
Toronado	64	60	47
Total Oldsmobile	74	72	89
Fiero	77	68	106
Pontiac 1000	—	—	111
Sunbird	40	44	91
Firebird	56	55	52
Grand Am	35	42	55
Pontiac 6000	42	52	101
Grand Prix	76	61	156
Bonneville H	38	37	—
Paris./Safari	87	79	114
Total Pontiac	45	46	81
GENERAL MTRS.	63	60	84
HONDA	16	9	11
MAZDA	16	32	—
NISSAN	48	59	49
TOYOTA	35	33	47
VOLKSWAGEN	140	116	123
DOM. TOTAL	60	57	75
Subcompact	52	48	—
Compact	49	48	—
Intermediate	64	60	—
Standard	60	57	—
Specialty	71	68	—

Vehicle supply steady

Domestic cars at 60 days; imports, 58

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Robust sales in June held the combined stocks of unsold U.S.-built cars and imported vehicles to the equivalent of a 61-day supply on July 1.

Inventories of unsold domestic cars and imported vehicles totaled 2,490,542 on July 1. That was 10.79 percent — or about 301,100 units — lighter than a year earlier when there were 2,791,643 unsold vehicles on hand. Last year's stocks represented a 71-day supply.

The July 1 total was 15,000 higher than the 2,474,699 unsold vehicles in inventory on June 1 of this year. That represented a 59-day supply.

In spite of June's improved sales performance, domestic car stocks moved up to 1,663,109 units on July 1, which represented a 60-day supply. On June 1, the stockpile of U.S.-built cars was 1,597,668 units, equivalent to a 57-day supply. A year ago on July 1, there were 1,900,096 units, representing a 75-day supply.

Imported-car inventories were whittled down to 634,143 units on July 1, a 58-day supply. A month earlier, there were 676,481 unsold imported cars representing a 63-day supply. On July 1 last year, imported car stocks totaled 650,508 units, which was equivalent to a 60-day supply.

"We have a 30-day supply and need about every model. Sales have been fair. They are not as good as last year, however, last year sales were great," said Scott Clark, owner of Toyota City, Charlotte, N.C.

Total import truck inventories rose to 193,290 vehicles on July 1, representing an 81-day supply. On June 1, there were 200,550 unsold units, equivalent to 72-days' worth. Last year on July 1, import truck stocks were fatter — 241,039 unsold imported trucks, which represented a 71-day supply.

Japanese and German shares of unsold car stocks edged up slightly in June. On July 1, import-stocks by country of origin were divided this way: Japan, 61.82 percent; Germany, 14.99 percent and all other countries, 23.19 percent.

Domestic and major transplant carmakers' shares of total stocks (including captive imports) on July 1 were: General Motors, 36.55 percent; Ford Motor Co., 20.68 percent; Chrysler Motors, 13.42 percent; Nissan, 6.25 percent; Toyota, 3.10 percent; Honda, 1.27 percent; all other manufacturers, 18.73 percent.

A year ago, inventory shares were split this way: GM, 44.38 percent; Ford, 19.78 percent; Chrysler, 12.55 percent; Nissan, 7.46 percent; Toyota, 3.92 percent; Honda, 0.91 percent and all others, 11.00 percent.

By size class, the July 1 domestic-car inventory was divided as follows: intermediate, 43.85 percent; compacts, 23.04 percent; standards, 17.53 percent; subcompacts, 14.63 percent; specialty class, 0.95 percent.

A year ago, stocks by size class were: intermediate, 42.97 percent; compact, 23.98 percent; standard, 18.07 percent; subcomapct, 13.91 percent; specialty, 1.07 percent.

GM shaved its total domestic and captive import car stocks to 910,251 units or 64-days' worth vs. 1,131,928 units, an 86-day supply, on July 1, 1987.

Ford's stocks, including captive import cars, were reduced to 515,100 units, representing 60-days' worth vs. 504,517, a 68-day supply a year ago. Chrysler's stocks including imports dropped to 334,127 units, equivalent to 75-days' worth of unsold vehicles compared with a year-ago inventory of 350,444, representing an 82-day supply.

Transplant Honda reported the slimmest stocks — 31,558 domestic and import cars, representing a 16-day supply compared with 23,263 units, representing a 13-day supply last year.

The second slimmest stocks belonged to Toyota, which reported inventories of 77,227, equal to a 25-day supply vs. 109,444 or a 38-day supply a year ago.

Nissan's combined import and domestic vehicle stocks totaled 155,541, representing a 65-day supply on July 1. Although inventories were fatter than on June 1, they were down considerably from last year's 208,221, equivalent to a 73-day supply.

Among U.S.-based manufacturers, Ford's slimmest inventories in terms of day supply belonged to Lincoln Continental and Ford Probe. Ford reported heavier Thunderbird, Festiva and Mercury Tracer stocks on July 1.

Chevrolet was shy of Corsicas/Berettas, and Pontiac's Sunbird, Grand Am and 6000 models were in short supply on July 1.

Cadillac's DeVille and Eldorado stocks grew and the division had a 117-day supply vs. a 75-day supply last month.

Dodge was low on Shadow and Dynasty models although Dodge Omni and Plymouth Horizon stocks were higher.

The slimmest import car stocks belonged to Honda with a 15-day supply, and Hyundai reported that its stocks dropped to a 32-day supply on July 1. Hefty import car stocks were reported by Audi, and Yugo's stocks were slightly higher than a month earlier but represented a 227-day supply.

IMPORT DAYS' SUPPLIES

	July 1, 1988	June 1, 1988	July 1, 1987
Chevrolet	88	116	152
Chrysler/Mitsubishi	104	113	91
Acura	43	37	33
Daihatsu	73	77	—
Honda	15	14	16
Isuzu	128	183	93
Mazda	47	44	54
Mitsubishi	86	89	92
Nissan	80	102	85
Subaru	91	99	87
Toyota	20	17	26
JAPAN	54	57	60
Audi	125	189	43
BMW	76	75	73
Mercedes-Benz	41	43	46
Merkur	93	132	71
Porsche	89	100	170
VW	83	78	60
GERMANY	75	77	70
Alfa Romeo	93	87	60
Festiva	117	123	124
Hyundai	32	35	29
Jaguar	51	50	11
Peugeot	66	70	93
Pontiac	63	64	82
Eagle/Renault	292	272	248
Saab	67	76	75
Sterling	90	97	76
Volvo	67	70	58
Yugo	227	172	41
Other Countries	63	75	52
Total Import Cars	58	63	60
Isuzu	131	140	130
Mazda	65	50	74
Mitsubishi	111	88	94
Nissan*	82	90	69
Range Rover	51	42	18
Suzuki	187	97	18
Toyota	43	32	60
Chrysler	114	106	98
Total Imp. Trucks	81	72	71
Total Imp. Vehicles	62	86	63

*—Includes domestic trucks.

Auto trade deficit rises after 2-month downturn

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks increased slightly in April, following two months of improvement. The trade deficit edged up 0.8 percent in April compared with the year-ago period. The upturn was due to a 3.9 percent increase in imports, while export growth slowed for the month.

Trade numbers from the U.S. Commerce Department show a trade deficit for passenger cars and light trucks of $3.850 billion for April. Total car and truck exports had a value of $914.4 million during the month. Monthly car and truck imports were valued at $4.764 billion. The automotive trade deficit for April 1987 was $3.817 billion.

Exports of passenger cars reached 69,736 vehicles with an estimated value of $732.6 million in April. Light-truck exports for the month were 17,738 vehicles with an estimated value of $181.8 million. Passenger-car exports were up 55.1 percent to Japan, and increased 6.5 percent to Canada. Exports to other countries increased by 5,612 units.

On the import side, Japan turned in a mixed performance for the month with the quantity and value of truck shipments continuing to slide, while the value of passenger-car shipments increased 1.8 percent over April 1987. The number of Japanese passenger cars shipped to the United States continued to decline, however.

South Korea, Mexico and Brazil all continued to post increases in car shipments. Canada and Yugoslavia also sent more cars to the United States for the month. Shipments from West Germany, Sweden, the United Kingdom, Italy and France declined.

Total car and truck imports had a value in April of $4.764 billion, up 3.9 percent from the $4.585 billion of automotive imports shipped in April 1987. There were 472,307 finished vehicles imported to the United States in April 1988, compared with 476,136 vehicles in April of last year.

Imports of passenger cars reached 394,651 units for the month with a value of $4.176 billion. Imports of light trucks were 77,656 units with a value of $588.3 million.

Japanese car imports dropped 5.1 percent for the month, but the value of the shipments increased by 1.8 percent. Japanese truck imports were off 72.5 percent. Japan shipped 171,586 cars to the United States in April, down from 180,825 a year ago. Truck shipments were 24,991 units, down from 90,853 units a year ago.

West Germany, Sweden, United Kingdom, Italy and France all shipped fewer cars to the United States in April 1988 than in April 1987, continuing a year-long trend. German shipments were off 35.7 percent. Sweden's shipments were down 41.4 percent. French and Italian manufacturers — which already import only a small number of cars — sent 37.3 percent and 52.4 percent fewer vehicles, respectively, to the United States for the month. Imports from the United Kingdom were off 9.7 percent.

The number of passenger cars imported from South Korea in April increased 50.1 percent from the year-ago period. Korea shipped 43,988 vehicles to the United States in April 1988, compared with 29,303 in April of last year.

Imports from Mexico were 10,806 vehicles, up from 7,524 one year ago. Brazilian imports were 10,022 units for the month, up from 4,452 vehicles shipped in April of 1987. Yugoslavia saw exports to the United States rise 17.9 percent for the month, after falling slightly in March.

U.S. AUTOMOTIVE TRADE BY VALUE
(x $1,000)

Passenger cars

Country	Trade	Apr. 1987	Apr. 1988	May 1986-Apr. 1987	May 1987-Apr. 1988
Japan	Export	$ 7,995	$ 16,747	$ 47,731	$ 115,436
	Import	1,643,906	1,672,661	21,464,089	21,261,666
Canada	Export	543,217	573,161	6,417,260	6,114,947
	Import	810,112	1,306,028	11,225,656	11,186,536
West Germany	Import	823,233	529,034	9,504,623	8,115,147
South Korea	Import	146,008	239,606	1,086,436	2,534,553
Sweden	Import	225,017	131,788	1,935,534	1,680,166
Mexico	Import	76,822	92,175	414,873	1,326,478
Yugoslavia	Import	13,223	15,139	278,433	139,915
United Kingdom	Import	83,214	79,441	712,029	1,227,811
Italy	Import	17,995	11,710	285,051	186,300
France	Import	52,791	26,356	148,837	201,386
Brazil	Import	20,021	58,587	33,306	336,168
Others	Export	77,536	142,798	556,079	1,147,585
	Import	30,917	16,005	207,125	284,529
Car total	Export	628,748	732,806	6,021,070	7,377,971
	Import	3,924,929	4,175,557	46,294,987	48,482,758
Trade balance		(3,296,181)	(3,442,951)	(40,273,917)	(41,104,787)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	$ 116,031	$ 142,028	$ 1,481,516	$ 1,744,449
	Import	147,371	284,288	2,040,046	2,273,410
Japan	Import	500,429	285,988	5,108,183	3,652,506
Mexico	Import	10,126	554	131,196	51,113
Others	Export	22,689	39,724	144,800	262,839
	Import	1,936	17,473	55,943	114,083
Truck total	Export	138,720	181,752	1,626,319	2,007,088
	Import	659,864	588,302	7,335,388	6,091,111
Trade balance		(521,144)	(406,550)	(5,709,052)	(4,084,023)
Car and truck total	Export	767,468	914,358	7,647,389	9,385,059
	Import	4,584,793	4,763,859	53,630,355	54,573,869
VEHICLE TRADE BALANCE		(3,817,325)	(3,849,501)	(45,982,966)	(45,188,810)
TOTAL U.S. Merchandise trade (customs value)	Export	29,402,300	26,217,800	231,623,500	277,220,300
	Import	31,978,200	34,391,100	374,300,400	421,512,200
TRADE BALANCE		(11,575,900)	(8,183,300)	(142,676,900)	(143,291,900)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Apr. 1987	Apr. 1988	May 1986-Apr. 1987	May 1987-Apr. 1988
Japan	Export	497	1,2[illegible]	2,899	8,322
	Import	199,825	171,586	2,535,842	2,399,144
Canada	Export	53,792	57,287	574,459	592,746
	Import	76,342	117,789	1,073,142	1,016,694
West Germany	Import	97,499	19,512	425,710	330,966
South Korea	Import	29,303	43,988	224,946	483,947
Sweden	Import	16,773	8,609	151,074	113,824
Mexico	Import	7,524	10,806	39,854	148,021
Yugoslavia	Import	4,397	5,186	48,294	54,773
United Kingdom	Import	3,704	3,343	32,493	48,998
Italy	Import	991	497	24,361	8,450
France	Import	3,817	2,394	21,499	19,784
Brazil	Import	4,452	10,022	7,120	64,587
Others	Export	5,584	11,161	41,962	86,922
	Import	2,098	985	14,295	18,236
Car total	Export	59,853	69,736	619,410	687,990
	Import	367,675	394,651	4,598,619	4,676,386
TRADE BALANCE		(307,822)	(324,915)	(3,979,209)	(3,988,406)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	12,759	14,344	163,165	175,520
	Import	16,327	51,978	221,858	219,296
Japan	Import	90,853	24,991	967,233	655,471
Mexico	Import	1,275	8	17,276	6,132
Others	Export	1,852	3,394	12,150	21,023
	Import	6	679	1,010	1,497
Truck total	Export	14,605	17,738	175,255	196,544
	Import	108,461	77,656	1,207,377	882,395
Trade balance		(93,856)	(59,918)	(1,032,122)	(685,841)
Car and truck total	Export	74,458	87,474	794,665	884,534
	Import	476,136	472,307	5,805,996	5,558,781
TRADE BALANCE		(401,678)	(384,833)	(5,011,331)	(4,674,247)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

FTC tells GM 1983 agreement doesn't override New York law

WASHINGTON — The Federal Trade Commission said General Motors is mistaken in claiming a 1983 consent settlement with the commission preempts the 1986 New York lemon law.

FTC lawyers filed the opinion June 30 in a pending lawsuit filed by GM in 1986 against the state of New York. In the case, GM said a 1983 consent agreement with the FTC establishing a nationwide arbitration system to settle warranty disputes exempts it from New York's law.

GM said the system, administered by the Better Business Bureau, sets "binding rules" of liability.

FTC attorneys disagreed. They said the cases aired under the FTC order are to be settled on a case-by-case basis and that it is not the commission's intent under the agreement to "preclude states from adopting laws designed to benefit consumers who participate in arbitration programs."

The 1983 consent order settled complaints brought against GM in 1980 involving the THM-200 automatic transmission, camshafts and lifters in certain Chevrolet gasoline engines and fuel injection pumps and fuel injectors in certain Oldsmobile diesel engines.

FTC said it can and in certain situations does pre-empt state laws but it did not intend to do so with the GM consent order and is unaware of any existing pre-emptive intent. Nor was the order viewed as a comprehensive regulation of arbitration so as to leave no room for state action, FTC said.

"In fact, it contains numerous references to state law and in each instance indicates that arbitration under the order will comply with, not pre-empt, the law," the FTC opinion said.

It concluded that it is not the commission's intent to "deny states the opportunity to experiment with legislative approaches to consumer protection, adding, there is "no evidence that this sort of nationwide uniformity was a goal of the commission's order."

Mustang alive until early '90s if sales hold up

DEARBORN, Mich. — Ford Motor Co. has asked the city of Dearborn for a tax abatement on $58 million in planned improvements to its plant there which builds the Ford Mustang.

The request marks another show of support for the Mustang, whose future had been in question. Ford now says it expects to build the car at least into the early 1990s if sales hold up.

The $58 million would be used to install a new clearcoat paint system. The investment still has to be approved by Ford's board of directors.

An abatement would cut Ford's tax bill on the improvements by as much as 50 percent over 12 years.